SaskTel

Consolidated Financial Statements of

SASKATCHEWAN TELECOMMUNICATIONS INTERNATIONAL, INC.

December 31, 2010

Saskatchewan Telecommunications International Inc. (SaskTel International)
www.sasktel-international.com

SaskTel International, a wholly-owned subsidiary of SaskTel, offers innovative software solutions that provide a modular approach to managing every aspect of a communications network and a variety of consulting services to help their clients in countries around the world develop, improve and expand their telecommunications systems. SaskTel International's experience spans more than 30 countries across six continents. SaskTel International currently has strategic initiatives underway in the United States, African and Latin American markets, which continue to facilitate new revenue generating opportunities and strategic partnerships. SaskTel International employs 22 full-time equivalent employees.

President's Message

2011 will mark a significant milestone in SI's history as it prepares to celebrate its 25 year anniversary. It would only be befitting that 2010 will on go record as SI's most successful financial operating year to close off this quarter century. This achievement was realized while SaskTel International continued to restructure and rebuild its business to align with industry changes.

Key highlights in 2010 included: continuation in supporting CenturyLink's OSS integration of its Embarq acquisition into SI's software suite. A continuation in supporting existing clients as they migrate to SI's current software releases. SI turned up its first client on to its newly developed TRACS service assurance product. The Consulting and Professional Services Division continues to make great strides across the Caribbean market supporting regional clients as they expand their interests in IPTV service launches. As a continuation of SI's global expansion plan, sales offices were brought online in Africa, Latin American and the Caribbean to support organizational growth across these markets.

2011 outlook: the continuation of the MARTENS Modernization project will be supported through 2011 as SI continues to work toward the completion of its new Optius product. Focus will continue on ensuring our clients are realizing the full benefits of SI's products and services while exploring new opportunities to address other business needs. Prospects in new markets will provide new opportunities for growth while playing a key role in ensuring that our products are well in line with international and industry standards.

As SI prepares to celebrate its 25 year anniversary, there are high expectations that the organization will continue to manage its way through current market turmoil while building on the positive results of the last few years. As always, ensuring our clients continue to receive world class products and services will play an important role in securing existing and new client confidence.

Steve Sousa
President, SaskTel International

Adoption of International Financial Reporting Standards

Canadian public companies including Government Business Enterprises (GBEs) will be required to prepare their financial statements in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), for fiscal years beginning on or after January 1, 2011. Effective January 1, 2011, Saskatchewan Telecommunications International, Inc. (the Corporation) and its subsidiaries, as GBEs, will adopt IFRS as the basis for preparing consolidated financial statements. The Corporation will also provide comparative data on an IFRS basis, including an opening balance sheet as at the date of transition, January 1, 2010.

The Corporation and its subsidiaries have substantially finalized an IFRS conversion project including selection of accounting policies and financial statement presentation formats and determination of the most significant impacts of IFRS on processes, systems, internal controls over financial reporting and disclosures, and future financial position and results of operations. As part of the IFRS implementation, the Corporation has made changes to certain processes and systems to ensure transactions are recorded in accordance with IFRS for comparative reporting purposes.

The Corporation has provided preliminary draft reconciliations which present the differences between Canadian Generally Accepted Accounting Principles (Canadian GAAP) and IFRS for the opening statement of financial position as at January 1, 2010, net income and comprehensive income for the year ended December 31, 2010 and the statement of financial position as at December 31, 2010. While these reconciliations do not represent an official adoption of IFRS, they provide an indication of the major differences identified to date, relative to the Corporation's historical financial statements. The possibility exists that the information provided may require adjustment before constituting the comparative information in the first complete set of 2011 IFRS financial statements prepared in accordance with IFRS, because of revisions or changes to standards or interpretations on the application of a particular IFRS, or voluntary changes to IFRS 1: "First Time Adoption of Financial Reporting Standards" exemptions (mandatory exceptions and optional exemptions) or policies as selected by the Corporation.

Consolidated Statement of Financial Position at January 1, 2010
Thousands of dollars

	Note	Canadian GAAP	Mandatory IFRS Adjustments	IFRS
Assets				
Current assets		$6,640	$-	$6,640
Capital assets		125	-	125
Other assets		707	-	707
		$7,472	$-	$7,472
Liabilities and Shareholder's equity				
Current liabilities	1	$3,719	$50	$3,769
Shareholder's equity		3,753	(50)	3,703
		$7,472	$-	$7,472

1. The Corporation has elected to recognize actuarial gains and losses in retained earnings upon transition to IFRS. As a result, current liabilities have increased by $49,657 and retained earnings have decreased by $49,657.

Consolidated Statement of Comprehensive Income for the year ended December 31, 2010
Thousands of dollars

	Note	Canadian GAAP	IFRS Adjustments		IFRS
			Mandatory	Other[1]	
Revenues		$16,096	$-	$-	$16,096
Other income		-	-	-	-
Total revenue		16,096	-	-	16,096
Direct expenses		10,368		(10,368)	-
Expenses					
Operations		3,214	-	(3,214)	-
Goods and services purchased	2	-	-	11,485	11,485
Salaries, wages and benefits		-	(2)	1,358	1,356
Depreciation and amortization		-	-	739	739
		3,214	(2)	10,368	13,580
Income from operations		2,514	2	-	2,516
Other items					
Interest and related items		55	-	(55)	-
Net finance income		-	-	55	55
Net earnings		2,569	2	-	2,571
Other comprehensive loss					
Defined benefit plan actuarial losses	2	-	(12)	-	(12)
Total comprehensive income		$2,569	$(10)	$-	$2,559

1. IFRS requires that expenses be classified either by nature or by function for presentation. The Corporation has selected classification by nature. In addition, other reclassifications were required to conform with disclosure requirements for other income and net finance expense.

2. Under IFRS the Corporation has chosen to charge all actuarial gains and losses to other comprehensive versus amortization of these gains and losses under Canadian GAAP, resulting in a decrease in salaries, wages and benefits purchased of $2,382 and a charge to other comprehensive income of $12,145.

Consolidated Statement of Financial Position at December 31, 2010
Thousands of dollars

	Note	Canadian GAAP	Mandatory IFRS Adjustments	IFRS
Assets				
Current assets		$9,984	$-	$9,984
Capital assets		101	-	101
Other assets	1	-	-	-
		$10,085	$-	$10,085
Liabilities and Shareholder's equity				
Current liabilities	1	$8,623	$59	$8,682
Shareholder's equity		1,462	(59)	1,403
		$10,085	$-	$10,085

1. The Corporation has elected to recognize actuarial gains and losses in retained earnings upon transition to IFRS. As a result, current liabilities have increased by $59,202 and retained earnings have decreased by $59,202.

The IASB plans to make revisions to or replace existing IFRS standards that may impact these areas as well as other accounting issues. Some of the anticipated changes may be in effect prior to the Corporation's transition date, such that IFRS may differ at transition date from its current form. However, it is likely that the majority of the changes will be in effect subsequent to the date of transition; with the result that the impact to the Corporation of adopting IFRS will extend beyond its transitional year.

KPMG

KPMG LLP
Chartered Accountants
McCallum Hill Centre, Tower II
1881 Scarth Street, 20th Floor
Regina Saskatchewan S4P 4K9
Canada

Telephone (306) 791-1200
Fax (306) 757-4703
Internet www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To The Members of the Legislative Assembly, Province of Saskatchewan

We have audited the accompanying consolidated financial statements of Saskatchewan Telecommunications International, Inc, which comprise the consolidated statement of financial position as at December 31, 2010, the consolidated statements of operations and comprehensive income, retained earnings and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Saskatchewan Telecommunications International, Inc as at December 31, 2010, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Regina, Canada
January 31, 2011

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KPMG Canada provides services to KPMG LLP.

Consolidated Statement of Operations and Comprehensive Income

For the year ended December 31, Thousands of dollars	2010	2009
Sales and consulting revenue	**$16,096**	$14,046
Direct expenses	**10,368**	9,665
Gross profit	**5,728**	4,381
Operating expenses	**3,214**	2,853
Income from operations	**2,514**	1,528
Other items	**55**	23
Net income	**2,569**	1,551
Other comprehensive income	**-**	-
Comprehensive income	**$2,569**	$1,551

See accompanying notes

Consolidated Statement of Retained Earnings

For the year ended December 31, Thousands of dollars	2010	2009
Retained earnings, beginning of year	**$2,753**	$3,670
Net income	**2,569**	1,551
	5,322	5,221
Dividends	**4,860**	2,468
Retained earnings, end of year	**$462**	$2,753

See accompanying notes

Saskatchewan Telecommunications International, Inc.

Consolidated Statement of Financial Position

As at December 31, Thousands of dollars	2010	2009
Assets		
Current assets		
Cash and short-term investments (Note 3)	**$8,668**	$6,130
Accounts receivable (Note 8a)	**1,241**	492
Prepaid expenses	**75**	18
	9,984	6,640
Property, plant and equipment (Note 4)	**101**	125
Intangible assets – finite-life (Note 5)	**-**	707
	$10,085	$7,472
Liabilities and shareholder's equity		
Current liabilities		
Accounts payable and accrued liabilities (Note 8a)	**$2,202**	$1,229
Services billed in advance	**1,561**	22
Dividend payable	**4,860**	2,468
	8,623	3,719
Shareholder's equity		
Share capital (Note 6)	**1,000**	1,000
Retained earnings	**462**	2,753
	1,462	3,753
	$10,085	$7,472

See accompanying notes

On behalf of the Board

Ron Styles

Mike Anderson

Consolidated Statement of Cash Flows

For the year ended December 31, Thousands of dollars	2010	2009
Operating activities		
Net income	**$2,569**	$1,551
Adjustments to reconcile net income to cash provided by operating activities		
Depreciation and amortization	**739**	286
Net change in non-cash working capital (Note 8b)	**1,706**	405
Cash provided by operating activities	**5,014**	2,242
Investing activities		
Property, plant and equipment expenditures	**(8)**	(11)
Cash used in investing activities	**(8)**	(11)
Financing activities		
Dividends paid	**(2,468)**	(600)
Cash used in financing activities	**(2,468)**	(600)
Increase in cash	**2,538**	1,631
Cash and short-term investments, beginning of year	**6,130**	4,499
Cash and short-term investments, end of year	**$8,668**	$6,130
Comprised of:		
Cash	**$31**	$53
Short-term investments	**8,637**	6,077
	$8,668	$6,130

See accompanying notes

Notes to Consolidated Financial Statements

Note 1 – The Corporation

Saskatchewan Telecommunications International, Inc. (the Corporation) is incorporated under the laws of the Province of Saskatchewan. The Corporation is a wholly owned subsidiary of Saskatchewan Telecommunications Holding Corporation (Holdco) that develops and supports a comprehensive suite of Operational Support System Solutions (OSS), and in addition, markets technical and operational consulting services globally.

The financial results of the Corporation are included in the consolidated financial statements of Holdco. As a wholly owned subsidiary of Holdco, a Saskatchewan Provincial Crown corporation, the Corporation is not subject to Federal or Provincial income taxes in Canada.

Note 2 – Summary of significant accounting policies

The financial statements have been prepared in accordance with accounting principles generally accepted in Canada (GAAP). The most significant policies are outlined below.

Subsidiaries and investments

The consolidated financial statements include the accounts of the Corporation and its subsidiaries with all significant intercompany transactions and balances being eliminated. Investments in companies in which the Corporation has significant influence are accounted for by the equity method.

Declines in value below cost, of investments held using the equity method, are recognized as a charge to income when such declines are considered to be other than temporary.

The Corporation owns 100% of Battleford International, Inc., 100% of SaskTel International Consulting, Inc. and 100% of Saskatchewan Telecommunications International (Tanzania) Limited which are non-operating entities.

Cash and short-term investments

Cash and short-term investments include interest bearing investments with Holdco that are due on demand and are stated at fair value.

Property, plant and equipment

Office furniture and equipment are recorded at cost less accumulated depreciation and amortization. Depreciation and amortization is calculated on a straight-line basis over the estimated useful life of the asset.

Asset	Estimated useful life
Office furniture and equipment	4 - 17 years

Intangible assets - finite-life

The Corporation follows the policy of capitalizing related equipment, labour and installation costs related to the

Notes to Consolidated Financial Statements

Note 2 – Summary of significant accounting policies, continued

development of new software. These costs are then amortized from the date the asset is substantially completed and put into productive use. Amortization is calculated on a straight-line basis over the estimated useful life of the asset.

Asset	Estimated useful life
Software	1 - 4 years

Finite-life intangible assets are tested for impairment when events or changes in circumstances indicate that their carrying value may not be recoverable. They are written down to fair value when the related undiscounted cash flows are not expected to allow for recovery of the carrying value.

Revenue recognition

Operating revenues for perpetual licenses are recognized on delivery or according to the terms of the license agreement. Where the arrangement includes multiple elements, perpetual license revenues are recognized on delivery, provided the undelivered elements are not essential to the functionality of the license and the Corporation has evidence of fair value for all the undelivered items. If payment is subject to customer acceptance, revenue is not recognized until customer acceptance or expiration of the acceptance period. Support and maintenance fees are recognized over the term of the contract. Fees for professional services, other than in the context of multiple element arrangements, are recognized as services are rendered.

Revenues for turn-key telecommunication projects and consulting services are recognized using the percentage of completion method or the achievement of contract milestones. Amounts billed or paid in advance of services provided are recorded as services billed in advance.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated at the year-end exchange rates. Revenues and expenses are translated at rates of exchange prevailing on the transaction dates. Translation gains and losses on foreign currency denominated monetary items are taken into income in the current year.

Financial instruments

Upon initial recognition, financial instruments are measured at fair value and are classified as held-to-maturity, held-for-trading, available-for-sale, loans and receivables or other liabilities. Held-to-maturity assets are carried at amortized cost with amortized premiums or discounts and other than temporary losses due to impairment included in net income. Held-for-trading assets and liabilities are carried at fair value with any gains or losses included in net income. Available-for-sale assets are carried at fair value with revaluation gains or losses included in other comprehensive income until the asset is removed from the balance sheet. Loans and receivables, and other liabilities are accounted for at amortized cost using the effective interest method. Transaction costs are included in the initial carrying value of the financial instrument except for held-for-trading instruments in which case they are expensed as incurred.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include the carrying amounts of

Notes to Consolidated Financial Statements

Note 2 – Summary of significant accounting policies, continued

property, plant and equipment, intangible assets, and accounts receivable and the underlying provision for bad debts. The inherent uncertainty involved in making such estimates and assumptions may impact the actual results reported in future periods.

Note 3 – Cash and short-term investments

Short-term investments represent funds invested with Holdco at an interest rate of 1.05% (2009 – 0.28%).

Note 4 – Property, plant and equipment

	Cost	Accumulated depreciation and amortization	Net book value	
Thousands of dollars			**2010**	2009
Office furniture and equipment	**$383**	**$282**	**$101**	$125

Depreciation and amortization for the year totaled $31,881(2009 - $43,067).

Note 5 – Intangible assets – finite-life

	Cost	Accumulated amortization	Net book value	
Thousands of dollars			**2010**	2009
Software	**$970**	**$970**	**$-**	$707

Amortization for the year totaled $707,548 (2009 - $242,588).

Note 6 - Share capital and additional capital disclosures

a) Share capital

Thousands of dollars	**2010**	2009
Authorized-unlimited number of class A common shares Issued - 1,000,000 shares	**$1,000**	$1,000

b) Additional capital disclosures

The Corporation's objectives when managing capital are to ensure adequate capital to support the operations and growth strategies of the Corporation, and to ensure adequate returns to the shareholder.

The capital structure is determined in conjunction with the shareholder based on the approved business plans and dividend policy.

Notes to Consolidated Financial Statements

Note 6 - Share capital and additional capital disclosures, continued

The Corporation monitors capital on the basis of cash available for distribution. Balances in excess of operating requirements are distributed to the shareholder.

The Corporation's strategy, which is to maintain sufficient cash for the continued development of target markets, is unchanged from 2009.

The Corporation is not subject to any externally imposed capital requirements.

Note 7 – Commitments and contingencies

Commitments

The future minimum payments under operating leases and contractual obligations for services in each of the next five years are as follows:

Thousands of dollars	
2011	$293
2012	284
2013	5
2014	4
2015	-

The above payments include $558,420 for leases with related parties.

Contingencies

In the normal course of operations, the Corporation may become involved in various claims and litigation. While the final outcome with respect to claims and litigation cannot be predicted with certainty, it is the opinion of management that any resolution would not have a material adverse effect on the Corporation's financial position or results of operations.

Note 8 – Additional financial information

a) Balance sheet

Thousands of dollars	**2010**	2009
Accounts receivable		
Customer accounts receivable	**$1,190**	$410
Allowance for doubtful accounts	**-**	-
	1,190	410
Other	**51**	82
	$1,241	$492

Notes to Consolidated Financial Statements

Note 8 – Additional financial information, continued

Thousands of dollars	2010	2009
Accounts payable and accrued liabilities		
Trade accounts payable and accrued liabilities	$1,533	$702
Payroll and other employee-related liabilities	669	527
	$2,202	$1,229

b) Supplementary cash flow information

Thousands of dollars	2010	2009
Net change in non-cash working capital		
Accounts receivable	$(749)	$504
Work in process	-	260
Prepaid expenses	(57)	171
Accounts payable and accrued liabilities	973	(415)
Services billed in advance	1,539	(115)
	$1,706	$405

Note 9 – Financial instruments

The Corporation's financial instruments include cash and short-term investments, accounts receivable, accounts payable and accrued liabilities, and dividend payable, which by their nature are subject to risks.

a) Fair value

Fair values approximate amounts at which financial instruments could be exchanged between willing parties based on current markets for instruments with similar characteristics such as risk, principal and remaining maturities. Fair values are estimates using present value and other valuation techniques which are significantly affected by the assumptions used concerning the amount and timing of estimated future cash flows and discount rates that reflect varying degrees of risk. Therefore, due to the use of judgment and future-oriented information, aggregate fair value amounts should not be interpreted as being realizable in an immediate settlement of the instruments.

The following table represents the carrying amounts and fair values of financial assets and liabilities measured at fair value or amortized cost:

Thousands of dollars		2010		2009	
Financial Instruments	Classification[1]	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets					
Cash and short-term investments	HFT	$8,668	$8,668	$6,130	$6,130
Accounts receivable	LAR	1,241	1,241	492	492
Financial liabilities					
Accounts payable and accrued liabilities	OL	2,202	2,202	1,229	1,229
Dividend payable	OL	4,860	4,860	2,468	2,468

[1] Classification details are:
HFT – held-for-trading LAR – loans and receivables OL – other liabilities

Notes to Consolidated Financial Statements

Note 9 – Financial instruments, continued

Determination of fair value

When the carrying amount of a financial instrument is the most reasonable approximation of fair value, reference to market quotations and estimation techniques is not required. The carrying values of cash and short-term investments, accounts receivable, accounts payable and accrued liabilities and dividend payable approximate their fair values due to the short-term maturity of these financial instruments.

b) Currency risk

The Corporation is exposed to currency risk, primarily US dollars, through transactions with foreign customers, foreign suppliers and short-term foreign commitments. Assuming all other variables remained constant at December 31, 2010, currency fluctuations in excess of 1% would have a material impact on net income. Specifically, a 1% weakening in the Canadian dollar versus US dollar exchange rate would have a 3.6% favourable effect on net income while a 1% strengthening would have a 3.6% unfavourable effect on net income. The Corporation uses a combination of derivative financial instruments to manage these exposures when deemed appropriate. The Corporation does not actively trade derivative financial instruments.

c) Interest rate risk

The Corporation is exposed to interest rate risk arising from fluctuations in interest rates on short-term investments. Assuming all other variables remained constant at December 31, 2010, a 10% (11 basis point) increase or decrease in interest rates would not have a material impact on net income.

d) Market risk

The Corporation is exposed to market risk on short-term investments. Fair value adjustments will fluctuate based on changes in market prices, however the fluctuations should not be significant due to the short term nature of the investments.

e) Credit risk

The Corporation is exposed to credit risk through its short-term investments and accounts receivable. Credit risk related to short-term investments is minimized by dealing with institutions that have strong credit ratings.

Credit risk related to customer accounts receivable is minimized by evaluating customer credit risk and limiting credit availability when necessary.

The carrying amount of financial assets represents the maximum credit exposure as follows:

Thousands of dollars	**2010**	2009
Cash and short-term investments	**$8,668**	$6,130
Accounts receivable	**1,241**	492
	$9,909	$6,622

Notes to Consolidated Financial Statements

Note 9 – Financial instruments, continued

The aging of customer receivables, which indicates potential impairment losses, is as follows:

Thousands of dollars	2010	2009
Current	$851	$393
30-60 days past billing date	294	3
61-90 days past billing date	45	14
Greater than 90 days past billing date	-	-
Total	$1,190	$410

Provisions for credit losses are maintained and regularly reviewed by the Corporation, based on an analysis of the aging of customer accounts. Amounts are written off once reasonable collection efforts have been exhausted. Details of the allowance account are as follows:

Thousands of dollars	2010	2009
Allowance for doubtful accounts, opening balance	$-	$-
Provision for losses	-	121
Accounts written off	-	(121)
Allowance for doubtful accounts, closing balance	$-	$-

f) Liquidity risk

The following are the contractual maturities of financial liabilities, all of which are due within six months of the respective year ends:

December 31, 2010

Thousands of dollars	Carrying Amount	Contractual cash flows	6 mths or less
Accounts payable and accrued liabilities	$2,202	$2,202	$2,202
Dividend payable	4,860	4,860	4,860
	$7,062	$7,062	$7,062

December 31, 2009

Thousands of dollars	Carrying Amount	Contractual cash flows	6 mths or less
Accounts payable and accrued liabilities	$1,229	$1,229	$1,229
Dividend payable	2,468	2,468	2,468
	$3,697	$3,697	$3,697

Sufficient operating cash flows are expected to be generated to fund these contractual obligations. In addition, the Corporation has credit facilities available to refinance maturities in excess of anticipated operating cash flows.

Notes to Consolidated Financial Statements

Note 10 – Related party transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to Crown Investments Corporation of Saskatchewan (CIC) by virtue of common control by the Government of Saskatchewan, and non-Crown corporations and enterprises subject to joint control and significant influence by the Government of Saskatchewan and Holdco (collectively referred to as "related parties").

Routine operating transactions with related parties are settled at prevailing market prices under normal trade terms. Other transactions in the normal course of operations are recorded at the exchange amount which is the amount of consideration established and agreed to by the related parties. These transactions and amounts outstanding at year-end are as follows:

Thousands of dollars	**2010**	2009
Sales and consulting revenue	**$3,237**	$2,331
Direct and operating expenses	**711**	672
Other income	**55**	23
Accounts receivable	**-**	16
Accounts payable and accrued liabilities	**789**	264

In addition, the Corporation pays Saskatchewan Provincial Sales Tax to the Saskatchewan Ministry of Finance on all taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

Other amounts and transactions due to (from) related parties and terms of settlement are described separately in these financial statements and notes thereto.